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## **BY ELECTRONIC FILING**

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW, Room TWB-204 Washington, D.C. 20554

**RE:** Request for further information regarding IB Docket Nos. 03-38, 02-324, 96-261

Dear Ms. Dortch:

This letter is in response to the letter of February 24, 2005, directed to me by James Ball of the International Bureau. The questions posed in Mr. Ball's letter and the Sprint responses to those questions are set forth below.

1. Since March 2003, has Sprint reached a final settlement arrangement for termination of telecommunications traffic with the Philippines Long Distance Telephone Company ("PLDT")? How long has the current arrangement been in effect? Is there an agreement as to how long the current arrangement will remain in effect?

Sprint has not reached a final settlement arrangement with PLDT since March 2003. Instead, Sprint has negotiated interim agreements with PLDT. The last such agreement was signed on February 12, 2004 and was amended effective September 1, 2004. The agreement has no expiration date and will remain in effect until superseded by another agreement.

2. If not, is Sprint actively engaged in reaching a final settlement arrangement with a Philippine carrier? If so, what is the progress of those negotiations? When does Sprint expect to complete negotiations? Is the current settlement arrangement subject to retroactive modification when Sprint reaches a final settlement arrangement with PLDT?

Sprint is not actively engaged in reaching final settlement agreements with any of the six Philippines carriers named in the Commission's order of March 10, 2003 in IB Docket No. 03-38. Sprint does not have any agreement with Subic Telecom. Sprint currently has interim agreements in place with PLDT, Globe, Smart and Digitel. Sprint's interim agreement with Bayantel has lapsed and negotiations are underway for a new interim agreement.

It is our understanding that the Philippine carriers named in the March 10, 2003 order are unwilling to negotiate settlement agreements that comport with all the requirements of the Commission's International Settlements Policy (ISP) requirements, such as symmetrical settlement rates and proportionate return traffic, and Sprint has little bargaining leverage to attain such agreements. Sprint fully intends to negotiate final settlement agreements with PLDT, Globe, Smart, Digitel and Bayantel once such agreements are no longer subject to ISP requirements. Sprint continues to do business with three Philippine carriers not named in the March 10, 2003 order, Capwire, Philcom, and ETPI, as it had prior to March 10, 2003. The agreements with Capwire and Philcom are through an exchange of e-mails and are not delineated as "interim." Sprint currently has an interim agreement with ETPI.

Current settlement arrangements with Philippine carriers other than PLDT are not subject to retroactive modification when Sprint reaches a final settlement arrangement with PLDT. Each of the interim agreements, including that with PLDT, requires the parties to conform to the applicable laws and regulations of their respective countries.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

David A. Nall

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CC: James Ball (by e-mail) Kimberly Cook (by e-mail) Mark Uretsky (by e-mail) Claudia Fox (by e-mail)